United Nations E/CN.17/2006/11

# Economic and Social Council

Distr.: General
28 February 2006

Original: English

**Commission on Sustainable Development**
**Fourteenth session**
1-12 May 2006
Item 3 of the provisional agenda*
**Thematic cluster for the implementation cycle 2006-2007 — review session**

## Letter dated 22 February 2006 from the Permanent Representative of Qatar to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the text of the letter from Abdullah bin Hamad Al-Attiyah, Second Deputy Prime Minister, Minister of Energy and Industry of the State of Qatar, dated 16 February 2006 (see annex), addressed to you, with an enclosure entitled "International Symposium on Natural Gas and Sustainable Development: summary report on conclusions and recommendations".

I should be grateful if you would consider the present letter and its annex as a document of the fourteenth session of the Commission on Sustainable Development for circulation to the members.

(*Signed*) Nassir Abdulaziz **Al-Nasser**
Ambassador
Permanent Representative of Qatar to the United Nations

* E/CN.17/2006/1.

06-25677 (E) 160306

## Annex to the letter dated 22 February 2006 from the Permanent Representative of Qatar to the United Nations addressed to the Secretary-General

It is with great pleasure that I express my sincere thanks for the support of the United Nations to the International Symposium on Natural Gas and Sustainable Development, co-organized by the Ministry of Energy and Industry (State of Qatar) and the Division on Sustainable Development (United Nations) in Doha from 6 to 8 February 2006.

This symposium has identified the importance and the strategic dimension of natural gas in achieving the Millennium Development Goals, particularly upgrading the living standards and poverty alleviation in developing countries and in supporting the sustainable development programmes, as outlined in the Johannesburg Plan of Implementation.

The symposium has also adopted the message of Sheik Hamad bin Khalifa Al-Thani, Emir of Qatar, to the world leaders on the inclusion of natural gas and its derivatives as environmental goods. Finally, the symposium has recommended the establishment of a United Nations industrial development regional centre in Doha, aimed at improving energy efficiency and conservation and environmental protection in the region.

We would be grateful if the attached conclusions and recommendations of the symposium (see enclosure) could be considered as a document of the fourteenth session of the Commission on Sustainable Development to be circulated to member States.

(*Signed*) Abdullah bin Hamad **Al-Attiyah**
Second Deputy Premier
Minister of Energy and Industry

## Enclosure

# International Symposium on Natural Gas and Sustainable Development: summary report on conclusions and recommendations

1. The International Symposium on Natural Gas and Sustainable Development, held in Doha, Qatar, from 6 to 8 February 2006, was co-organized by the Government of the State of Qatar and the United Nations Department of Social and Economic Affairs.

2. The symposium was attended by 150 participants from 37 countries, including senior officials and policymakers of national Governments, representatives of the United Nations and other international organizations, chief executives from the private sector and international industry associations, and representatives of academia and non-governmental organizations.

3. The participants reaffirmed the need to achieve the Millennium Development Goals contained in the Millennium Declaration and to further pursue the goals pertaining to energy for sustainable development contained in the Plan of Implementation of the World Summit on Sustainable Development (Johannesburg Plan of Implementation) adopted in 2002.

4. Participants noted that 2.4 billion people worldwide still rely on traditional biomass for their basic energy needs and that more than 1.6 billion people in developing countries still have no access to electricity. This energy divide entrenches poverty by limiting access to information, education, economic opportunity and healthier livelihoods, particularly for women and children, and negatively affects the environment at the local, national and global levels. Access to energy is essential to achieving sustainable development goals.

5. Technical issues, including natural gas exploration techniques, extraction methods and cost-effective ways in natural gas processing were discussed at the symposium. Participants were informed of initiatives taken to reduce gas flaring. The symposium addressed issues related to natural gas transport, innovative developments in the liquefied natural gas industry, natural gas storage, distribution and marketing. The symposium also reflected on intermediate and long-term energy development trends, gas market reforms and related policy issues, environmental safeguards, transparency of revenues and revenue sharing and dimensions of social development related to natural gas.

6. The presentations at the symposium emphasized the multiple benefits of increasing the use of natural gas to provide reliable, affordable and environmentally sound forms of energy for sustainable development. More specifically, participants adopted the following summary of conclusions and recommendations.

### The role of natural gas in meeting global energy demand

7. Global primary energy demand is widely expected to grow by more than 50 per cent over the next 25 years. Global energy supply will continue to rely by at least 80 per cent on fossil fuels. Natural gas is a major and rapidly growing source of energy in the global energy supply mix. It is available in large quantities, sufficient to meet the expected demand growth. The contribution of natural gas to

the global energy supply is projected to rise from 21 per cent in 2003 to 24 per cent in 2030.

8. Natural gas reserves are mainly located in Western Asia and in Central and Eastern Europe. There are also considerably large on and offshore natural gas reserves in developing countries of Africa, Asia and Latin America that have not yet been fully developed.

9. Participants called for continued and expanded dialogue among the producers and consumers of energy. The participants called for the continued development of the necessary infrastructure to transform the natural gas resources into commodities and to link the supply areas to existing and emerging markets.

**Trade in natural gas and energy security**

10. Participants expected that the share of the gas supply that is traded between regions would grow from 14 per cent in 2006 to 19 per cent in 2030. Demand for natural gas is expected to continue to increase in many countries of Europe and North America. These regions will increasingly rely on imports from the Middle East and North Africa as their own production of natural gas is expected to level off or decline. Natural gas demand in Asia is also expected to increase continuously, not only in countries such as Japan, the Republic of Korea, China and India, but also in other rapidly industrializing countries in the region.

11. Significantly increased investments will be needed in order to expand the capacities of natural gas pipelines, liquefaction and re-gasification facilities and transport tankers for liquefied natural gas. Participants recommended that global trade in natural gas, its derivatives and trade in the technologies employed in its transformation and utilization should be promoted and should not be subject to trade barriers.

12. Energy security increasingly becomes important, not only among net energy importing countries, but also among energy exporters. Diversification of energy sources and energy suppliers offers options for energy importers to hedge against supply disruptions. Energy exporters may also seek to diversify their markets with a view to hedge against fluctuation in energy export revenues.

**Environmental, social and safety dimensions of natural gas**

13. The environmental qualities of natural gas are related to its lower greenhouse gas emissions, and its development as a cleaner source of energy is to be encouraged.

14. The development of natural gas is linked to the development of the power sector where high efficiency is obtained in gas-fired combined-cycle technology, offering significant benefits for environmental protection.

15. Participants emphasized the need for continued efforts to reduce flaring and venting of gas associated with the extraction of crude oil. Participants noted that standards are being developed for flaring and venting reduction and encouraged the application of such standards. Participants called on project owners to strive for good practice in this important area and welcomed the contribution of the World Bank's Global Gas Flaring Reduction Partnership.

16. It is also essential to inform the public that natural gas production, transport and use are efficient, economic and safe. The projected growth in trade of liquefied natural gas may be affected by perceptions of safety risks. Public concerns about the safety of liquefied natural gas shipments also require a continued monitoring and improvement of safety procedures to prevent accidents.

17. Natural gas is a strong vehicle for socio-economic development in both producing and in consuming countries.

18. Revenues from natural gas development help to promote sustainable development through benefit-sharing, enhanced social inclusion, poverty eradication and the financing of public expenditure in human and infrastructure development for the future.

19. Adequate public participation in the planning process is essential for the long-term viability of all large-scale natural resource development projects, including natural gas exploration, development and transportation infrastructure planning.

20. Participants also heard the findings of some ongoing political analysis and research on the incidence of conflict over natural resources, including civil wars and secessionist wars, which have negatively affected several poor developing countries rich in natural resources over the past two decades. Adequate precautionary measures and policies are needed.

**Technological progress, research and development**

21. The Johannesburg Plan of Implementation calls for a greater reliance on advanced energy technologies, including advanced and cleaner fossil fuel technologies and the promotion of cross-border energy trade, including the interconnection of natural gas pipelines. Participants stressed the need for continued research and development in cleaner fossil fuel systems.

22. The development of the gas-to-liquids technology offers options to significantly expand the versatility and use of natural gas. Innovative initiatives are under way in several countries, including, notably, Qatar, to demonstrate the cost-effectiveness of gas-to-liquids technology. The development and application of the technology in Qatar includes efforts of broad-based stakeholder participation, increased emission controls and emission reductions and the effective use of by-products of the gas-to-liquids process. Gas-to-liquids fuel use offers significant benefits for improving environmental conditions, in particular in mega-cities where air quality is under serious strain.

23. With the projected growth in fossil fuel use, anthropogenic emission of carbon dioxide and other greenhouse gases may continue to rise in the future. Technological developments and promotion of carbon sequestration will be crucial to mitigate climate change. Depleted oil and natural gas wells offer suitable sinks for carbon storage. It was observed that carbon dioxide capture and storage options are already technically feasible. Research and development in these technologies should be accelerated.

24. Participants stated that further global cooperation should be encouraged in the development, diffusion and transfer of zero-emissions and advanced low-carbon emitting fossil fuel technologies and the technology to capture and store carbon emissions.

**Stability of global gas markets, opportunities for investment and international cooperation**

25. Participants at the symposium emphasized the role of natural gas in promoting stabilization of energy markets and pricing so as to minimize the impact of fluctuations in energy markets on vulnerable economies.

26. Participants noted that opportunities for investment in natural gas development are directly linked to the stability of global gas markets. Participants emphasized the need for further international cooperation and policy dialogue on natural gas development, and noted with interest the presentation made by the representative of the Energy Charter secretariat.

27. Natural gas infrastructure projects are highly capital-intensive. Participants called for tangible action to provide financial and technological assistance to developing countries in natural gas development. This should include multilateral and bilateral loans and loan guarantees, credits and grants appropriate to the level of development of the country concerned.

28. The establishment of a regional centre for energy management was recommended. Such a centre may be established in Doha, with a view to fostering international cooperation in the region to promote rational and efficient use of energy.

**Making natural gas work for sustainable development**

29. Participants emphasized the need to further develop natural gas production and use to contribute to the three dimensions of sustainable development: economic development; social development; and environmental protection.

30. Participants called upon Governments and the natural gas industry to establish policy frameworks conducive to natural gas development and to disseminate good practices and stated that light-handed regulation is essential to encourage necessary investment.

31. Participants encouraged Governments and the private sector to report to the fourteenth session of the Commission on Sustainable Development in May 2006 on their actions in sustainable development of natural gas.

32. Participants recommended that the Government of the State of Qatar consider the submission of this report of the symposium to the fourteenth session of the Commission on Sustainable Development.

33. Participants expressed their gratitude to the Government of the State of Qatar for co-organizing the symposium together with the United Nations Department of Economic and Social Affairs, and to the Government and people of the State of Qatar for the hospitality and warm welcome extended to all participants.